

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN**

In re)
CITY OF DETROIT, MICHIGAN) Chapter 9
) Case No.: 13-53846
Debtor.) Hon. Steven W. Rhodes
)
)

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**CITY OF DETROIT'S RESPONSE TO
THE STATEMENT OF OBJECTORS REGARDING
PROPOSED CHANGES TO THE PLAN CONFIRMATION SCHEDULE**

1. On June 4, 2014, the Objector Members of the Discovery and Trial Efficiency Committee (“the Objectors”) filed a statement urging the Court to order an eight-week delay of the plan confirmation schedule. *See Statement of Objectors Regarding Proposed Changes to Schedule in Light of City’s Delays in Document Production* (Docket No. 5207). They seek to justify such a delay by citing to the recent representation by the City of Detroit (the “City”) that its document production will not be completed until June 20, 2014. *See City’s Statement Regarding Document Production* (Docket No. 5156).

2. The Objectors’ proposed two-month delay of the confirmation trial is not warranted. Although the City has stated that it intends to *conclude* its document production by June 20, 2014, the City has *already* produced tens of

thousands of documents that the Objectors have requested, including working models of the financial projections in the plan and comprehensive binders of source materials from both Ernst & Young and Conway McKenzie. Moreover, the fact that the Objectors have asked to delay the plan voting schedule in addition to the plan litigation schedule demonstrates that the Objectors are more interested in delay for the sake of delay than the additional documents that will be produced between now and June 20, 2014. Voting is not affected by the pace of discovery, and there is no reason that the voting schedule should be tied to the litigation schedule.

3. As an alternative to the Objectors' unreasonably delayed schedule, the City proposes the modifications to the schedule set out in its proposed Fifth Amended Order Establishing Procedures, Deadlines and Hearing Dates Relating to the Debtor's Plan of Adjustment (the "Proposed Fifth Amended Scheduling Order"), attached hereto as Exhibit A. Under this schedule, the hearing on plan confirmation would begin on August 11, 2014, and conclude on September 12, 2014, unless the progress of the hearing allows for an earlier conclusion. For the convenience of the Court, the City has also included as Exhibit B a comparison of the City's Proposed Fifth Amended Scheduling Order with the Court's *Fourth Amended Order Establishing Procedures, Deadlines and Hearing Dates Relating to the Debtor's Plan of Adjustment* (Docket No. 4202).

4. The City believes that a two-and-a-half week delay in the schedule, followed by a five-week trial, provide ample time for the parties to develop and present their cases to the Court. Indeed, the Court's recent *Notice of Proposed Order Identifying Legal Issues, Establishing Briefing Schedule and Setting Hearing Date and Procedures* (Docket No. 5172) has already significantly reduced the scope of the plan confirmation trial by identifying legal issues that can be resolved beforehand. Given the reduced scope of the issues, including, for example, those involving the Detroit Water and Sewerage Department, a modest delay in the schedule should be sufficient to allow the parties to fully prepare for the hearing on the factual issues that remain.

5. The City therefore respectfully requests that the Court enter the City's Proposed Fifth Amended Scheduling Order.

Dated: June 5, 2014

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Respectfully submitted,

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ATTORNEYS FOR THE CITY OF DETROIT

EXHIBIT A

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re:
City of Detroit, Michigan,
Debtor.

Chapter 9
Case No. 13-53846
Hon. Steven W. Rhodes

**Fifth Amended Order Establishing Procedures, Deadlines and
Hearing Dates Relating to the Debtor's Plan of Adjustment**

The City has filed a plan of adjustment and a proposed disclosure statement. To promote the just, speedy, and inexpensive determination of this case as required by Fed. R. Bankr. P. 1001, the Court hereby establishes the procedures, deadlines and hearing dates set forth below.

Nothing herein excuses any party from the continuing obligation to participate in good faith in any mediation as ordered by Chief Judge Rosen.

Further, the Court again strongly encourages all parties to negotiate with full intensity and vigor with a view toward resolving their disputes regarding the treatment of claims in the City's plan of adjustment.

The Court will hold status conferences regarding the plan confirmation process on the following dates and times:

- (a) June 16, 2014 at 10:00 a.m.**
- (b) June 24, 2014 at 10:00 a.m.**
- (c) July 14, 2014 at 10:00 a.m.**
- (d) August [__], 2014 at 10:00 a.m.**

1. June 9, 2014 is the deadline for all parties to file amended witness lists.

2. June 17, 2014 is the deadline for parties to submit simultaneous supplemental briefs on the legal issues identified in the Court's Notice of Proposed Order Identifying Legal Issues, Establishing Briefing Schedule and Setting Hearing Date and Procedures (Docket No. 5172) and any subsequent amendments.

3. June 20, 2014 is the deadline for the City to complete its production of documents responsive to the objecting parties' requests.

4. June 23, 2014 is the date after which fact witness depositions may begin.

5. June 24, 2014 is the deadline for any affected holder, the water and sewer bond trustee, the ad hoc committee of water and sewer bondholders and the COPs trustee to file a brief in response to any Notice of Asserted Right to Vote a Claim.

6. June 24, 2014 at 10:00 a.m. will be the date and time of a hearing on the status of the City's document production.

7. July 1, 2014 will be the date of a hearing on the legal issues identified in the Court's Notice of Proposed Order Identifying Legal Issues, Establishing Briefing Schedule and Setting Hearing Date and Procedures (Docket No. 5172) and any subsequent amendments.

8. July 2, 2014 is the deadline for any party that filed a Notice of Asserted Right to Vote a Claim to file a reply brief in support of such notice.

9. July 8, 2014 is the deadline for all parties to file their lists of expert witnesses and serve copies of expert reports (which shall not be filed).

10. July 11, 2014 is the deadline:

(a) For plan voting; and

(b) For individual bondholders and individual retirees to file objections to the plan.

11. July 14, 2014 at 10:00 a.m. will be the date and time of the hearing to determine any disputes arising in connection with any Notices of Asserted Right to Vote a Claim.

12. July 15, 2014 is the deadline for all parties to file a list of rebuttal expert witnesses and serve copies of rebuttal expert witness reports (which shall not be filed).

13. July 18, 2014 is the deadline to complete all non-expert depositions.

14. July 21, 2014 is the deadline for the City or the balloting agent to file a summary of the results of the tabulation of all ballots and master ballots.

15. July 30, 2014 is the deadline to complete all expert depositions.

16. August 1, 2014 is the deadline for any party that filed a timely objection to the plan to file a supplemental objection, but only to the extent that discovery or the results of plan voting give rise to additional or modified objections to the plan.

17. August 6, 2014 is the deadline to submit a proposed joint final pretrial order in compliance with LBR 7016-1.

18. August 8, 2014 is the deadline:

(a) To file pretrial briefs; and

(b) For the City to file one combined response to supplemental objections to the plan and to objections filed by individual bondholders and individual retirees.

19. August 8, 2014 at 9:00 a.m. will be the date and time of the final pretrial conference on plan confirmation.

20. August 11, 2014 at 9:00 a.m. will be the date and time for the commencement of the hearing on plan confirmation.

Additional confirmation hearing dates, as necessary, will be August 12-15; August 18-22; August 25-29; September 1-5; and September 8-12, 2014.

At this hearing, in addition to any evidence addressing the factual issues raised in the parties' plan objections, the City shall present evidence establishing the feasibility of its plan as required by 11 U.S.C. § 943(b)(7).

The dates and deadlines established herein will be extended only on motion establishing good cause.

This order amends paragraphs 7(a), 9(a), 9(c), 9(d) and 9(e) of the Order (I) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment and (II) Approving Notice Procedures Related to Confirmation of the Plan of Adjustment (Docket No. 2984). However, nothing in this order otherwise amends the Solicitation Procedures Order.

It is so ordered.

EXHIBIT B

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re:
City of Detroit, Michigan,
Debtor.

Chapter 9
Case No. 13-53846
Hon. Steven W. Rhodes

**FourthFifth Amended Order Establishing Procedures, Deadlines and
Hearing Dates Relating to the Debtor's Plan of Adjustment**

The City has filed a plan of adjustment and a proposed disclosure statement. To promote the just, speedy, and inexpensive determination of this case as required by Fed. R. Bankr. P. 1001, the Court hereby establishes the procedures, deadlines and hearing dates set forth below.

Nothing herein excuses any party from the continuing obligation to participate in good faith in any mediation as ordered by Chief Judge Rosen.

Further, the Court again strongly encourages all parties to negotiate with full intensity and vigor with a view toward resolving their disputes regarding the treatment of claims in the City's plan of adjustment.

The Court will hold status conferences regarding the plan confirmation process on the following dates and times:

(a) May 15, 2014 June 16, 2014 at 10:00 a.m.

(b) June 24, 2014 at 10:00 a.m.

(c) July 14, 2014 July 14, 2014 at 10:00 a.m.

(d) August [] , 2014 at 10:00 a.m.

~~1. April 25, 2014 is the deadline for the City to file an amended disclosure statement incorporating the suggestions and rulings that the Court made at the hearing on April 17, 2104, and including any additional agreements reached with creditor representatives.~~

~~2. April 28, 2014 at 10:00 a.m. will be the date and time of the hearing on:~~

~~(a) Final approval of the disclosure statement; and~~

(b) All filed objections to written discovery.

~~3. May 2, 2014 is the deadline for the City to file the final disclosure statement resolving any objections that the Court sustains at the hearing on April 28, 2014.~~

~~4. May 6, 2014 is the deadline to comply with timely written discovery requests.~~

~~5. May 7, 2014 is the date on which depositions may commence.~~

~~6. May 12, 2014 at 10:00 a.m. will be the date and time of the hearing on any remaining objections to written discovery.~~

~~7. May 12, 2014 is the deadline:~~

~~(a) For the City to mail plan solicitation packages and, to the extent provided in any order approving vote solicitation procedures, to provide packages to applicable DTC participants;~~

~~(b) For parties other than individual bondholders and individual retirees to file objections to the plan; and~~

~~(c) For parties who have filed timely objections to plan confirmation to file a list of their fact witnesses and to identify the subjects that each witness will address.~~

~~A party filing an objection to the plan shall use the proper ECF event code for the filing.~~

~~8. May 26, 2014 is the deadline:~~

~~(a) For the City to file one combined response to all of the timely plan objections; and~~

~~(b) For any party that is not identified as having the right to vote on the plan, but who asserts a right to vote on the plan, to file a "Notice of Asserted Right to Vote a Claim" and a brief in support.~~

1. June 9, 2014 is the deadline for all parties to file amended witness lists.

2. June 17, 2014 is the deadline for parties to submit simultaneous supplemental briefs on the legal issues identified in the Court's Notice of Proposed Order Identifying Legal Issues, Establishing Briefing Schedule and Setting Hearing Date and Procedures (Docket No. 5172) and any subsequent amendments.

3. June 20, 2014 is the deadline for the City to complete its production of documents responsive to the objecting parties' requests.

~~94. June 10²³, 2014 is the deadline for all parties to file their lists of expert witnesses date after which fact witness depositions may begin.~~

~~105. June 24, 2014 is the deadline for any affected holder, the water and sewer bond trustee, the ad hoc committee of water and sewer bondholders and the COPs trustee to file a brief in response to any Notice of Asserted Right to Vote a Claim.~~

~~6. June 24, 2014 at 10:00 a.m. will be the date and time of a hearing on the status of the City's document production.~~

~~11. June 24, 2014 is the deadline for all parties to serve copies of expert reports (which shall not be filed).~~

~~12. June 27, 2014 is the deadline to complete all non-expert witness depositions.~~

~~13⁷. July 1, 2014 is the deadline to file a list of rebuttal expert witnesses and to serve copies of rebuttal expert reports (which shall not be filed). will be the date of a hearing on the legal issues identified in the Court's Notice of Proposed Order Identifying Legal Issues, Establishing Briefing Schedule and Setting Hearing Date and Procedures (Docket No. 5172) and any subsequent amendments.~~

~~14⁸. July 2, 2014 is the deadline for any party that filed a Notice of Asserted Right to Vote a Claim to file a reply brief in support of such notice.~~

~~9. July 8, 2014 is the deadline for all parties to file their lists of expert witnesses and serve copies of expert reports (which shall not be filed).~~

~~15¹⁰. July 11, 2014 is the deadline:~~

~~(a) For plan voting; and~~

~~(b) For individual bondholders and individual retirees to file objections to the plan.~~

~~16¹¹. July 14, 2014 at 10:00 a.m. will be the date and time of the hearing to determine any disputes arising in connection with any Notices of Asserted Right to Vote a Claim.~~

~~12. July 15, 2014 is the deadline for all parties to file a list of rebuttal expert witnesses and serve copies of rebuttal expert witness reports (which shall not be filed).~~

~~13. July 18, 2014 is the deadline to complete all non-expert depositions.~~

~~14. July 21, 2014 is the deadline for the City or the balloting agent to file a summary of the results of the tabulation of all ballots and master ballots.~~

~~17¹⁵. July 15³⁰, 2014 is the deadline to complete all expert depositions.~~

~~18~~16. ~~July 18~~August 1, 2014 is the deadline for any party that filed a timely objection to the plan to file a supplemental objection, but only to the extent that discovery or the results of plan voting give rise to additional or modified objections to the plan.

~~19.~~ July 21, 2014 is the deadline:

~~(a) To~~17. August 6, 2014 is the deadline to submit a proposed joint final pretrial order in compliance with LBR 7016-1~~½~~

18. August 8, 2014 is the deadline:

~~(b)~~a) To file pretrial briefs; and

~~(e)~~b) For the City to file one combined response to supplemental objections to the plan and to objections filed by individual bondholders and individual retirees; and

~~(d) For the City or the balloting agent to file a summary of the results of the tabulation of all ballots and master ballots.~~

~~20~~19. ~~July 23~~August 8, 2014 at 9:00 a.m. will be the date and time of the final pretrial conference on plan confirmation.

~~21~~20. ~~July 24~~August 11, 2014 at 9:00 a.m. will be the date and time for the commencement of the hearing on plan confirmation.

Additional confirmation hearing dates, as necessary, will be ~~July 25; July~~August 12-15; August 18-22; August 25-29; September 1-5; and September 8-12, 2014. 28-31; August 1; August 4-8; and August 11-15, 2014.

At this hearing, in addition to any evidence addressing the factual issues raised in the parties' plan objections, the City shall present evidence establishing the feasibility of its plan as required by 11 U.S.C. § 943(b)(7).

The dates and deadlines established herein will be extended only on motion establishing good cause.

This order amends paragraphs 7(a), 9(a), 9(c), 9(d) and 9(e) of the Order (I) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment and (II) Approving Notice Procedures Related to Confirmation of the Plan of Adjustment (Docket No. 2984). However, nothing in this order otherwise amends the Solicitation Procedures Order.

It is so ordered.

Summary report:	
Litéra® Change-Pro TDC 7.5.0.96 Document comparison done on 6/5/2014 2:30:40 PM	
Style name: JD Color	
Intelligent Table Comparison: Inactive	
Original DMS: iw://WAI/WAI/3178888/1	
Modified DMS: iw://WAI/WAI/3178888/6	
Changes:	
<u>Add</u>	45
<u>Delete</u>	62
<u>Move From</u>	0
<u>Move To</u>	0
<u>Table Insert</u>	0
<u>Table Delete</u>	0
<u>Table moves to</u>	0
<u>Table moves from</u>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format Changes	0
Total Changes:	107

CERTIFICATE OF SERVICE

I, Bruce Bennett, hereby certify that the foregoing CITY OF DETROIT'S RESPONSE TO THE STATEMENT OF OBJECTORS REGARDING PROPOSED CHANGES TO THE PLAN CONFIRMATION SCHEDULE was filed and served via the Court's electronic case filing and noticing system on this 5th day of June, 2014.

/s/ Bruce Bennett
Bruce Bennett